

*P. J. P.*

The Washington Merry-Go-Round

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# No One Holds CIA Purse Strings

By Drew Pearson

One aspect of the Central Intelligence Agency which few people realize is that it is the only Government agency which does not have to submit its expenses to an accounting. Its books are not scrutinized by the General Accounting Office and the Congressional Appropriations committees do not make the Agency justify its funds as with other branches of Government.



Pearson

This makes for reckless, irresponsible spending, sometimes by Ivy Leaguers who have had little experience in hiring ships, buying arms, and masterminding political revolutions, as in Cuba.

It also tends to make the CIA representative in foreign capitals more important than the American Ambassador. The CIA has an unlimited bankroll; the ambassador's expenses are carefully restricted.

The man with the money usually has the greatest influence, and word soon gets around in most capitals that the man to talk to is not the American ambassador but the CIA man.

In organizing the revolt in Cuba, the CIA spent \$1 million for building an air strip in Guatemala, of which a

voucher for \$500,000 was turned in to pay for labor. Cuban freedom fighters inform me that they performed most of the labor, yet were not paid any part of the \$500,000.

## Heavy Ship Expenses

The CIA purchased two LCIs (Landing Craft Infantry) through Charles A. Mills, a Miami yacht broker. The total cost, including reconditioning, was reported to be \$240,000. Cuban freedom fighters who know ships estimate that the vessels were worth around \$30,000 each.

Yacht broker Mills, when questioned by telephone in Miami regarding the value and cost of the vessels, flatly refused to comment. He insisted that he was sworn to secrecy.

The CIA also leased three commercial ships from the Garcia Lines for two months at \$7000 a month. Actually they were needed for less than one month. CIA guaranteed \$100,000 for each ship in case of damage. Cubans who sailed on the ships and know shipping say this was excessive.

As it turned out, the Rio Escondido was sunk and the Huston damaged, which means that CIA will be obliged to make a generous settlement.

The CIA also leased the Santa Ana for \$7000 a month for the Nino Diaz group of

freedom fighters, with the same \$100,000 guarantee. The Santa Ana, which probably isn't worth much more than the \$7000 rental, did not get into action.

The CIA paid fabulous salaries to civilian merchantmen on these ships, though some were incompetent. On the other hand, the arms supplied by CIA were up to date and generally in good condition. There was one case when a .50 caliber heavy machine gun exploded when Capt. Miguel Ozco fired it in the Vieques base, but this was an exception.

CIA inefficiency and extravagance in regard to the Cuban invasion might be condoned on the ground of expediency, if the invasion had been successful; or if CIA had not been caught in weird expenditures in the past.

## Undercutting Franco

One of the weirdest was the tremendous sum of money the CIA gave Prof. Jesus de Galindez of Columbia University, who was kidnaped March 12, 1956 while entering a New York subway and has never been heard of since.

His disappearance has generally been attributed to Dictator Trujillo of the Dominican Republic.

Beyond any question of doubt, Galindez was being paid by Central Intelligence, even though he was head of the Spanish Basque resistance movement in North and South

America, working to overthrow Generalissimo Franco in Spain.

The official policy of the United States Government, whether right or wrong, has been to support Franco. We have naval and air bases in Spain. We have spent over \$2 billion building these bases and supporting Franco. Yet Central Intelligence spent around \$1 million supporting the man who was trying to overthrow Franco.

Monthly installments were paid to Galindez by the CIA ranging from \$4845 in March, 1950, to \$26,039 in January, 1956, just before Galindez was disposed of. During the years between 1950 and 1956, this mysterious college professor, an exile from Spain, received either \$1,016,000 according to Justice Department files, or \$762,527 according to a New York City audit.

Immediately after Galindez disappeared, Allen Dulles, head of Central Intelligence, phoned New York City officials with an urgent request that a CIA agent be permitted to go through Galindez's papers. This was done. And the last incriminating CIA check, for \$7240 in February, was taken out of the file.

The mystery remains unsolved as to why CIA was financing a Spanish Basque exile who was working against the government leader we were supporting with military and foreign aid.

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